



**CALIFORNIA BOARD OF ACCOUNTANCY**  
2000 EVERGREEN STREET, SUITE 250  
SACRAMENTO, CA 95815-3832  
TELEPHONE: (916) 263-3680  
FACSIMILE: (916) 263-3675  
WEB ADDRESS: <http://www.dca.ca.gov/cba>



**CALIFORNIA BOARD OF ACCOUNTANCY PUBLIC MEETING NOTICE  
FOR THE COMMITTEE ON PROFESSIONAL CONDUCT (CPC), ENFORCEMENT  
PROGRAM OVERSIGHT COMMITTEE (EPOC), LEGISLATIVE COMMITTEE  
AND BOARD MEETINGS**

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**DATE:** July 20, 2006      **CPC**      **TIME:** 9:00 a.m. to 12:30 p.m.

**EPOC**      **TIME:** 1:30 p.m. to 2:30 p.m.

**LEG**      **TIME:** 2:30 p.m. to 3:30 p.m.

**DATE:** July 21, 2006      **BOARD**      **TIME:** 9:00 a.m. to 3:00 p.m.

**PLACE:** Crowne Plaza LAX  
5985 West Century Blvd.  
Los Angeles, CA 90045  
Telephone: (310) 642-7500

Enclosed for your information are copies of the agendas for the CPC, EPOC,  
Legislative Committee and Board meetings on July 20-21, 2006.

For further information regarding these meetings please contact:

Theresa Siepert, Executive Analyst  
(916) 561-1715 or [tsiepert@cba.ca.gov](mailto:tsiepert@cba.ca.gov)  
California Board of Accountancy  
2000 Evergreen St., Suite 250  
Sacramento, CA 95815

An electronic copy of this notice can be found at <http://www.dca.ca.gov/cba/calendar.htm>

**... The next Board meeting is scheduled for September 14-15, 2006, in Sacramento, CA ...**

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<p>The meeting is accessible to the physically disabled. If you need disability-related accommodations or modifications in order to participate in the meeting, please make a request no later than five (5) working days before the meeting to the Board by contacting Paula Bruning at (916) 561-1716 or sending a written request to that person at the Board Office at 2000 Evergreen St., Ste. 250, Sacramento, CA 95815. Requests for further information should be directed to Theresa Siepert at (916) 561-1715 or the same address noted above.</p>
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## AGENDA

### COMMITTEE ON PROFESSIONAL CONDUCT

July 20, 2006  
9:00 a.m. to 12:30 p.m.

Crowne Plaza LAX  
5985 West Century Blvd.  
Los Angeles, CA 90045  
(310) 642-7500

(Board members who are not members of this  
committee may be attending the meeting.)

- I. Minutes of the May 18, 2006, Meeting (**David Swartz**) (**Action**).
- II. Proposed Comments on the IRS' Proposed Changes to Circular 230 (**Greg Newington**) (**Action**).
- III. Proposed Regulatory Language Related to the Board's Audit Documentation Requirements (**Aronna Wong**) (**Action**).
- IV. Proposed Regulatory Language Related to Webcast Continuing Education Courses (**Patti Franz**) (**Action**).
- V. Proposed Web Site Message Related to Temporary/Incidental Practice (**Mary Crocker**) (**Action**).
- VI. Preliminary Planning for and Identification of Key Issues Related to Practice Privilege and Cross-Border Practice (**Carol Sigmann**) (**Action**).
- VII. Comments from Members of the Public.
- VIII. Additional Agenda Items for Next Meeting.



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**AGENDA**  
**ENFORCEMENT PROGRAM OVERSIGHT COMMITTEE**  
**July 20, 2006**  
**1:30 p.m. to 2:30 p.m.**

CROWNE PLAZA  
5985 West Century Boulevard  
Los Angeles, California 90045  
Telephone: (310) 642-7500

(Board members who are not members of this committee may be attending the meeting.)

- I. Call to Order (**Thomas Iino**).
- II. Draft Minutes of May 18, 2006, EPOC Meeting (**Action**).
- III. Additional Consideration of Questions and Answers Regarding Software Vendors Access to Confidential Client Data – Rule 54.1 (**Gregory Newington**) (**Action**).
- IV. Proposed Revisions to Section 95 Related to Citation and Fine Amounts (**Gregory Newington**) (**Action**).
- V. Comments from Members of the Public.
- VI. Agenda Items for Next Meeting.

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AGENDA  
LEGISLATIVE COMMITTEE  
July 20, 2006  
2:30 p.m. to 3:30 p.m.

Crowne Plaza LAX  
5985 West Century Blvd.  
Los Angeles, CA 90045  
(310) 642-7500

(Board members who are not members of this  
committee may be attending the meeting.)

- I. Minutes of the May 18, 2006, Legislative Committee Meeting **(Action)**.
- II. AB 53 (Negrete McLeod) – State Surplus Property (Formerly Regulatory Programs: Boards and Commissions).
- III. AB 485 (Arambula) – State and Consumer Services Agency: Master Business License Center: Feasibility Study.
- IV. AB 1363 (Jones) – Conservatorships and Guardianships (Formerly Omnibus Conservatorship and Guardianship Reform Act of 2006)
- V. AB 1561 (Umberg) – State Boards and Commissions: Member Removal: Failure to Attend Meetings.
- VI. AB 1588 (Negrete McLeod) – Professional Licensing Boards: Review and Repeals.
- VII. AB 1612 (Pavley) – Workers' Compensation (Formerly Representation of Governmental Organizations).
- VIII. AB 2344 (Chu) – Underground Economy and Tax Gap Act of 2006.
- IX. AB 2927 (Leno) – Public Records.
- X. SB 1550 (Figueroa) – Professional Fiduciaries Act.
- XI. Comments from Members of the Public.
- XII. Agenda Items for Next Meeting.



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**DEPARTMENT OF CONSUMER AFFAIRS  
CALIFORNIA BOARD OF ACCOUNTANCY**

**BOARD MEETING  
AGENDA**

**July 21, 2006  
9:00 a.m. to 3:00 p.m.**

Crowne Plaza LAX  
5985 West Century Blvd.  
Los Angeles, CA 90045  
Telephone: (310) 642-7500  
Facsimile: (310) 342-7010

- I. Call to Order (**Ronald Blanc**).
- II. Board Minutes.
  - A. Draft Board Minutes of the May 19, 2006, Board Meeting\*.
- III. Report of the President (**Ronald Blanc**).
  - A. Update on AB 1868 (Bermudez) – Accountancy: Licensure (**Action**).
  - B. SB 503 (Figueroa) – Accountants: Peer Review: Fees.
  - C. Proposed Resolution for Retired Board Member, Ms. Gail Hillebrand (**Action**).
  - D. Recommendations for the Board of Examiner's (BOE) Proposed New Committee Consisting of State Board Members and State Board Executive Directors (**Renata Sos**) (**Action**).
- IV. Report of the Vice-President (**David Swartz**).

No report.

V. Report of the Secretary-Treasurer **(Ruben Davila)**.

No report.

VI. Report of the Executive Officer **(Carol Sigmann)**.

A. Update on Board Staffing **(Carol Sigmann)**.

B. Update on the Status of the Board's Continuing Education Symposium **(Carol Sigmann)**.

C. National Proposed Rules or Standards Regarding Professional Practice **(Discussion/Action)**.

VII. Report of the Enforcement Chief **(Greg Newington)**.

A. Report on Status of Enforcement Matters:

1. Activity and Status Reports.
2. Major Case Summary.
3. Report on Citations and Fines.
4. Reportable Conditions Data.

VIII. Regulations.

A. Update on Regulations **(Written Report Only)**.

B. Proposed Amendments to Section 70 of Title 16 of the California Code of Regulations Regarding Practice Privilege Fees **(Action)**.

IX. Committee and Task Force Reports.

A. Administrative Committee (AC) **(Harish Khanna, Chair)**.

No report.

B. CPA Qualifications Committee (QC) **(Robert Riley, Vice Chair)**.

1. Report on the July 12, 2006, QC Meeting.

C. Committee on Professional Conduct (CPC) **(David Swartz, Chair)**.

1. Minutes of the May 18, 2006, CPC Meeting\*.
2. Report on the July 20, 2006, CPC Meeting.

3. Proposed Comments on the IRS' Proposed Changes to Circular 230 **(Action)**.
4. Proposed Regulatory Language Related to the Board's Audit Documentation Requirements **(Action)**.
5. Proposed Regulatory Language Related to Webcast Continuing Education Courses **(Action)**.
6. Proposed Web Site Message Related to Temporary/Incidental Practice **(Action)**.
7. Preliminary Planning for and Identification of Key Issues Related to Practice Privilege and Cross-Border Practice **(Action)**.

D. Legislative Committee **(Sally Flowers)**.

1. Minutes of the May 18, 2006, Legislative Committee Meeting\*.
2. Report on the July 20, 2006, Legislative Committee Meeting.
3. Update on Legislation **(Action)**.
  - a. AB 53 (Negrete McLeod) – State Surplus Property (Formerly Regulatory Programs: Boards and Commissions.)
  - b. AB 485 (Arambula) – State and Consumer Services Agency: Master Business License Center: Feasibility Study.
  - c. AB 1363 (Jones) – Conservatorships and Guardianships (Formerly Omnibus Conservatorship and Guardianship Reform Act of 2006.)
  - d. AB 1561 (Umberg) – State Boards and Commissions: Member Removal: Failure to Attend Meetings.
  - e. AB 1588 (Negrete McLeod) – Professional Licensing Boards: Review and Repeals.
  - f. AB 1612 (Pavley) – Workers' Compensation: Network (Formerly Representation of Governmental Organizations.)
  - g. AB 2344 (Chu) – Underground Economy and Tax Gap Act of 2006.
  - h. AB 2927 (Leno) – Public Records.

- i. SB 1550 (Figureoa) – Professional Fiduciaries Act.
- E. Enforcement Program Oversight Committee (EPOC) **(Thomas lino, Chair)**.
  - 1. Minutes of the May 18, 2006, EPOC Meeting\*.
  - 2. Report on the July 20, 2006, EPOC Meeting.
  - 3. Additional Consideration of Questions and Answers Regarding Software Vendors Access to Confidential Client Data – Rule 54.1 **(Action)**.
  - 4. Proposed Revisions to Section 95 Related to Citation and Fine Amounts **(Action)**.
- X. Appeals – Personal / Written – None.
- XI. Recommendations of CPA Qualifications Committee.
  - A. Personal / Written Appeals – None.
- XII. Petitions, Stipulations, and Proposed Decisions [Closed Session Government Code Section 11126(c)(3)] \*Petition Hearings are Public Before the Board with a Subsequent Closed Session **(Action)**.
  - A. David Hori – Petition for Reduction of Penalty.
  - B. Salvatore Censoprano – Stipulation.
  - C. Moss Adams LLP – Stipulation.
  - D. Mark Rabkin – Stipulation.
  - E. Anthony Sanchez – Stipulation.
  - F. Mario H. Silva – Default Decision.
  - G. David M. Winings & David M. Winings, An Accountancy Corporation – Stipulation.
- XIII. Other Business.
  - A. National Association of State Boards of Accountancy (NASBA).
    - 1. Update on NASBA Committees.
      - a. CBT Administration Task Force **(Carol Sigmann)**.



- b. Education Committee **(Ruben Davila)**.
  - c. Ethics Committee **(Ronald Blanc)**.
  - d. International Qualifications Appraisal Board **(Ruben Davila)**.
  - e. Legal Affairs Committee **(Michael Granen)**.
  - f. Strategic Initiatives Committee **(Sally Flowers)**.
  - g. Substantial Equivalency Task Force **(Renata Sos)**.
  - h. Uniform Accountancy Act Committee **(Michael Granen)**.
2. Report on NASBA's Western Regional Meeting **(David Swartz / Richard Charney / Angela Chi / Ruben Davila / Bill MacAloney / Robert Petersen / Renata Sos)**.
- B. Consent Agenda (Attached) **(Action)**.
  - C. Board Member Comments.
  - D. Comments from CalCPA Representative.
  - E. Comments from SCA Representative.
  - F. Public Comments.
  - G. Agenda Items for Future Board Meetings.

#### XIV. Adjournment.

- ❖ The agenda items noted with an asterisk (\*) are on a separate "Consent Agenda" (attached). These items will be taken up on the full agenda as item XIII.B. "Consent Agenda," and all items will be approved with one vote. If a Board member wishes to remove an item(s) from the Consent Agenda for discussion, he/she must notify the Board President prior to action on the Consent Agenda.

Please note: The order and timing of scheduled business are subject to change.  
Contact: Carol Sigmann, Executive Officer (916) 561-1715.

AGENDA ITEM XIII.B.  
CALIFORNIA BOARD OF ACCOUNTANCY  
BOARD MEETING  
July 21, 2006

**CONSENT AGENDA**

<u>AGENDA ITEM</u>	<u>SUBJECT</u>
II.A	Draft Board Minutes of the May 19, 2006, Board Meeting.
IX.C.1	Minutes of the May 18, 2006, CPC Meeting.
IX.D.1	Minutes of the May 18, 2006, Legislative Committee Meeting.
IX.E.1	Minutes of the May 18, 2006, EPOC Meeting.